

REGULAR WEEKLY SESSION-----ROANOKE CITY COUNCIL

March 3, 2003

9:00 a.m.

The Council of the City of Roanoke met in regular session on Monday, March 3, 2003, at 9:00 a.m., in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Vice-Mayor C. Nelson Harris presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2-15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended; and pursuant to Resolution No. 36193-010603 adopted by the Council on January 6, 2003, which changed the time of commencement of the regular meeting of Council to be held on the first Monday in each month from 12:15 p.m., to 9:00 a.m.

PRESENT: Council Members William D. Bestpitch, William H. Carder, M. Rupert Cutler, and Vice-Mayor C. Nelson Harris-----4.

ABSENT: Mayor Ralph K. Smith and Council Members Linda F. Wyatt and Alfred T. Dowe, Jr.-----3.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

COMMITTEES-CITY COUNCIL: A communication from Mayor Ralph K. Smith requesting a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended, was before the body.

Mr. Bestpitch moved that Council concur in the request of the Mayor to convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended. The motion was second by Mr. Carder and adopted by the following vote:

AYES: Council Members Bestpitch, Carder, Cutler, and Vice-Mayor Harris--4.

NAYS: None-----0.

(Mayor Smith and Council Members Wyatt and Dowe were absent.)

At 9:05 a.m., the Vice-Mayor declared the meeting in recess to be immediately reconvened in the Emergency Operations Center Conference Room, Room 159, for a Council/Staff Work Session.

The Council meeting reconvened at 9:15 a.m., in Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with all Members of the Council in attendance, except Mayor Smith, Vice-Mayor Harris presiding.

OTHERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; Mary F. Parker, City Clerk; Rolanda Russell, Assistant City Manager for Community Development; George C. Snead, Jr., Assistant City Manager for Operations; R. Brian Townsend, Director, Department of Planning and Code Enforcement; Kenneth H. King, Manager, Streets and Traffic.

ITEMS LISTED ON THE 2:00 P.M. DOCKET REQUIRING QUESTIONS/DISCUSSION/CLARIFICATION; AND ADDITIONS/DELETIONS TO THE 2:00 P.M. DOCKET:

The City Manager called attention to hard copies of certain agenda items that were not forwarded to the City Clerk's Office in time to be included on the electronic agenda, and noted that all agenda items are now in a format to be acted upon by the Council.

Mr. Bestpitch inquired as to the process regarding agenda item 7.a. in connection with a report of the City Planning Commission recommending an amendment to the C-3, Central Business District regulations, to include veterinary clinics, without corrals and pens, as a special exception use.

R. Brian Townsend, Director, Department of Planning and Code Enforcement, advised that the City Planning Commission discussed the item at its meeting on February 20 and it was the understanding of the Planning Commission that it was to discuss the item in terms of whether the Planning Commission could support moving forward with initiation of the zoning ordinance amendment. He stated that on a 4 - 2 vote, the City Planning Commission is recommending that Council initiate the zoning ordinance amendment which can be done by resolution adopted by the Council. He clarified that it was the understanding of the City Planning Commission that Council was requesting the Planning Commission to consider the matter and report its recommendation to the Council and the Council would decide if it wishes to move forward with the petition to amend the zoning ordinance.

The City Manager clarified that there may have been either a misunderstanding on the part of the City Planning Commission, or following review of the tape recording of the Council meeting, it appeared that the direction that was sent by Council was not for the City Planning Commission to decide whether or not to initiate the petition, but to provide feedback to the Council. She advised that the City Planning Commission is supportive of the petition, however, the Planning Commission is suggesting that Council initiate the zoning ordinance amendment.

At this point, Council Members Dowe and Wyatt entered the meeting.

TOPICS FOR DISCUSSION BY THE MAYOR AND MEMBERS OF COUNCIL:

Council Member Cutler inquired as to the status of the rezoning of 7.292 acres of land at Wonju Street and Franklin Road, S. W., from Light Manufacturing District, to General Commercial District, for the possible construction of a shopping center.

The City Manager responded that no information has been received to date, however, as information is received, it will be forwarded to the Council.

Council Member Wyatt referred to a communication from the City Manager under date of February 27, 2003, responding to her inquiry as to whether the City's revised overtime policy is creating problems in certain City departments.

The City Manager submitted a communication advising that a survey of departments with significant overtime use was conducted; and according to responses received, the new overtime policy does not appear to have impacted productivity in any measurable way. She stated that the changes made in July were in compliance with the FLSA and are more representative of what occurs in the

marketplace today; departments are coping with the changes and have reported that there have been no instances where coverage could not be provided due to not having anyone answer the call for overtime; departments such as Fire-EMS and E-911 may have to hold employees over from one shift to cover the next shift if no one answers the call for overtime; and these employees understand that this is the nature of their work and have come to expect the call for overtime and the occasional hold over. She explained that overtime coverage in Fire-EMS is driven by factors such as personnel shortages due to recent retirements; and there is no specific data to show that the new overtime policy has had any significant impact on City services.

Ms. Wyatt stated that the City Manager's communication was not fully responsive to her inquiry, and requested additional information in regard to the number of hold overs prior to initiating the revised policy, compared to the current number of hold overs in the Fire/EMS, Police and Maintenance departments specifically.

BRIEFINGS BY CITY STAFF:

The City Manager advised that several meetings ago, Council was requested to appropriate funds for more detailed planning relative to traffic calming initiatives in several areas of the City. She referred specifically to the Williamson Road area inasmuch as some time ago there was dissension between the business community and the residential community about the type of traffic calming initiatives that should take place, and City staff has addressed concerns and would like to review alternatives for consideration by Council. She called attention to meetings attended by representatives of businesses/residents of the Williamson Road area over the past several months, and it is believed that there is a general agreement at this time.

Kenneth H. King, Manager, Streets and Traffic, advised that the issue came to the surface when the City proposed the resurfacing of Williamson Road from Angell Avenue to Hershberger Road, N. W. He stated that requests were received from the business community to consider changing the pavement markings on the road at the time of resurfacing, to reinstitute a center turn lane, and to provide two lanes in each direction. He noted that data revealed that 60 per cent of all accidents in the area were rear end collisions in the inside travel lane, which began to solidify a belief that vehicles turning left were exposed to greater risk of rear end collisions; however, in meetings with neighborhood groups, it was reported that the real problem is the speed of traffic, characteristics of traffic, and residents favor a plan that would be more compatible with the neighborhood environment, including bicycle paths, sidewalks, curb and gutter and streetscaping.

In summary, Mr. King recommended the modification of pavement markings to establish a center turn lane when the road is resurfaced; that the area between Angell Avenue and Christian Avenue be used to demonstrate how the center turn lane can be modified to include a landscaped median and other roadway enhancements, such as textured pavement in the center lane and pedestrian crosswalk areas can be included to calm traffic and to make the roadway operate in greater compatibility with its environment.

Discussion by Council:

***There does not appear to be a groundswell of requests for bicycle lanes in the Williamson Road community, and residents are far more concerned with having sidewalks and trees, rather than bicycle lanes.**

***Persons who live in the area do not want a 25 mile per hour speed limit, but they do favor an alternative that will move traffic up and down the corridor efficiently. Currently, there is a considerable amount of spill over traffic into the residential neighborhoods and some residents fear that there will be heavy duty traffic on certain neighborhood streets. Residents want the streetscape cleaned up with a more user friendly atmosphere.**

***There was consensus on the Williamson Road Plan that it would slow down traffic and provide more of a boulevard appearance with street trees, wider sidewalks, etc., to provide a more user friendly area.**

***The amount of truck traffic on Williamson Road is comparable to Brandon Avenue, S. W.**

***Are there other areas of the City that are more intense in terms of pedestrians crossing the road? It was noted that few pedestrians cross Williamson Road; however, there is some foot traffic in the vicinity of the Williamson Road Branch Library and Richie-Freeze. One of the most dangerous crossings is located at the adult home where residents cross the street to access the Seven - Eleven Store.**

***Can the area from Christian Avenue south to Angell Avenue be completed as a part of the maintenance project, or should separate funding be identified? It was explained by staff that the area would require additional funds beyond the maintenance project; approximately \$140,000.00 is earmarked as opportunity funding for the area, pursuant to direction of Council; however, these types of improvements are estimated to be in the range of \$200,000.00.**

***It would appear that providing for a left turn lane for vehicles to move out of the line of traffic will inevitably raise the average speed limit. Concern was expressed that while the number of accidents might be reduced, the severity of accidents could increase because vehicles will be moving at a higher rate of speed.**

***Because of spacing and the amount of traffic that businesses generate, there are not a lot of opportunities for two cars to be in the left turn lane heading toward each other, and it appears that with almost continuous curb cuts along a fair amount of Williamson Road, there will be more opportunities for a head on collision with one vehicle heading north and one heading south, with both vehicles trying to get in the center left turn lane.**

***Five traffic lanes and an unimpeded left turn lane represents another Brandon Avenue. Roads in the City of Roanoke should be designed to accommodate the posted speed limit and no more.**

*** The traffic calming project should be accomplished in an aesthetically pleasing manner and initiated on a trial basis.**

***Are there Federal funds that could be used for a demonstration project?**

***With landscaping and medians, traffic will be slowed down, therefore, medians should be installed as soon as possible to prevent a speedway appearance from occurring.**

***The opportunity to improve aesthetics by means of street trees, vegetation, etc., is important because if the appearance of the street appeals to motorists, they will slow down to enjoy the view.**

***The issue is not just traffic calming, and it is necessary to be conscious of certain roads in the City that are arterial roads, the purpose of which is to move traffic efficiently from one side of the City to the other. It is important not to end up with a congested City where no one wants to drive through a certain part of town. The City needs to provide a balance by calming traffic down, but at the same time, traffic should not be calmed down to the point that traffic becomes so congested that people avoid certain parts of town, or traffic is directed to parallel streets, thereby creating more traffic.**

***During the summer months, teenagers congregate at Trinkle Avenue. As the proposed plan is implemented, there should be some assurance that another traffic nightmare will not be created for persons traveling and residing in the Williamson Road area.**

***Where there are a limited number of parking spaces located directly in front of a business, could an incentive be offered to those business owners to encourage customers to park in adjacent parking areas/lots that are owned and used by the businesses.**

The City Manager advised that City staff will identify funds for traffic calming initiatives in several locations in the City, Council appropriated funds for the final design, and it is hoped that any excess funds in the account can be used to address some of the improvements; however, the Williamson Road project appeared to have the need for additional discussion by Council. She stated that if the Council is supportive of the Williamson Road pilot project, staff will identify funding for the first phase. She noted that it is doubtful that funds will be available to complete the second phase of the project which could be the next step, and some of the roads

will take multiple years for project completion. She advised that City staff is reviewing the Brandon Avenue issue, and exploring certain concepts in connection with addressing traffic which could involve private property owners. She called attention to numerous locations in the City of Roanoke where traffic calming needs to take place, but they cannot all be completed in the immediate future.

Mr. King advised that an open house will be held in April to involve those businesses that will be affected by the Williamson Road traffic calming project, to present the project as a Phase I and Phase II type implementation, and to encourage businesses to consolidate their driveways and to share access, with the goal of a mid-July construction time frame.

It was the consensus of Council that final design of the Williamson Road project will be presented to Council for review and approval, and the City Manager advised that staff will proceed with detailed design work on the Williamson Road, Grandin/Memorial and Bullitt/Jamison traffic calming projects.

LEADERSHIP COLLEGE:

Stephen Niamke, Coordinator, Roanoke Neighborhood Partnership, presented information on the City of Roanoke's first Leadership College. He advised that the purpose of the Leadership College is to educate citizens about how the City of Roanoke functions and to teach best practices in leadership and community organizing; and graduates of the Leadership College will become resources within their respective communities, capable of advising others as they access City services and ready to lead as citizens work to solve problems within the community.

Council Member Cutler inquired if there could be an incentive for having graduated from the Leadership College when applying for appointment to a Council-appointed committee; whereupon, the City Manager advised that if the Council wishes to place graduation from the Leadership College as a criteria for appointment to boards and commissions, such could be accomplished following completion of the first Leadership College.

There was discussion in regard to creating a participative and a hands on environment for those persons participating in the sessions; encouraging citizens to participate who have not thus far been actively engaged in City government activities; conducting sessions that will involve role playing activities, for example: a mock City Council meeting or City Planning Commission meeting; and that the level of instruction will be such that graduates will know how to navigate the City government structure.

FRANKLIN ROAD CULVERT:

Mr. Townsend advised that there has been light activity on the site, a street opening permit was issued, and a soil analysis is under way. He stated that the developer is currently working on two plans, and he has been requested to review the plans with City Planning and Engineering staff prior to submitting a request to Council.

FAIRACRES PROPERTY:

The City Manager presented a communication which was intended to provide Council with additional information as a part of its consideration of a request to endorse a resolution offered by the Roanoke Valley Preservation Foundation recognizing the architectural and historical significance of the Fairacres property, located at 2713 Avenham Avenue, S. W. She advised that the site is approximately 2.5 acres and contains one house of over 6,800 square feet, current zoning is RS-3, Residential Single Family District, and principal permitted uses include single family detached, day care homes, day care facilities (elderly), churches/synagogues, parks/playgrounds, and home occupations.

The City Manager explained that the residential development potential by right under current zoning includes use of the house in its current configuration as a single family residence, subdivision of the property into RS-3 compliant lots with the house in place (number limited given location of the house on the existing lot - estimated three - six new lots could be created); and subdivide the property into RS-3 compliant lots with demolition of the house (estimated number of lots created 14-16).

The City Manager advised that consideration of any resolution by Council recognizing the “architectural and historic significance” of the Fairacres property will not have any effect on the “by right” development potential of the property under its current RS-3 zoning designation, including demolition of the existing structure; and while no one can predict with certainty what may happen if Council were to adopt the proposed resolution, any of the following could result:

- *Chilling any purchase interest in the site while it is currently on the market, or dampening investigation of other re-use options that may be economically viable, by giving the indication that the City is not interested in considering any other use of the property except as one single family detached structure.

***Potentially accelerating any interest to pursue demolition of the property in anticipation that the City might soon initiate a change of the zoning on the property to more closely reflect the sentiments contained in the resolution (Historic designation would put limitations on “by right” demolition).**

***Implying that the City would deny any demolition or development activity, when, in fact, the support for the resolution would not affect the “by right” development rights under the property’s current zoning.**

Council Member Cutler advised that he intended to offer the resolution at the 2:00 p.m. Council session, and to indicate that adoption of the resolution has no real impact on the “by right” development of the property.

There was discussion with regard to legal ramifications, if any, to the City if the resolution is adopted; whereupon, the City Attorney advised that the possibility of any type of legal action in connection with the property is remote, and the resolution states primarily that Council recognizes the architectural/historical value of the Fairacres property.

The City Manager called attention to statements that have been made that the property could be purchased by an individual, or group of individuals, and donated to the City of Roanoke. She advised that although Fairacres is a beautiful historical home, the City is currently experiencing problems with some of the historic homes that it currently owns because they have not been used appropriately. She explained that the Parks and Recreation Master Plan suggests that the homes not be used for these purposes and at some point in the future, the homes should be returned to historical home use. She stated that if there are plans that would suggest that the City either acquire the Fairacres property, or that the property be donated to the City for a specific use, the City as an organization should be cautious about any such donation, given the fact that there may be even more expenses associated with a donation.

At 11:05 a.m., the Vice-Mayor declared the work session in recess.

At 11:15 a.m., Council convened in Closed Session in the Council’s Conference Room, Room 451, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, to discuss vacancies on certain authorities, boards, commissions, and committees, appointed by Council, which closed session was previously approved by the Council at its 9:00 a.m. session.

At 11:40 a.m., the Council meeting reconvened in the City Council Chamber, with all members of the Council in attendance, with the exception of Mayor Smith, Vice-Mayor Harris presiding.

With respect to the Closed Meeting just concluded, Mr. Bestpitch moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

COMMITTEES-PARKS AND RECREATION: The Vice-Mayor advised that there is a vacancy on the Parks and Recreation Advisory Board, and called for nominations to fill the vacancy.

Mr. Cutler placed in nomination the name of James Settle.

There being no further nominations, Mr. Settle was appointed as a member of the Parks and Recreation Advisory Board, for a term ending March 31, 2006, by the following vote:

FOR MR. SETTLE: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

(Mayor Smith was absent.)

FLOOD REDUCTION/CONTROL: The Vice-Mayor advised that there is a vacancy on the Flood Plain Committee, and called for nominations to fill the vacancy.

Mr. Cutler placed in nomination the name of Herbert C. Berding, Jr.

There being no further nominations, Mr. Berding was appointed as a member of the Flood Plain Committee, for a term ending June 30, 2003, by the following vote:

FOR MR. BERDING: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

(Mayor Smith was absent.)

PLANNING-COMMITTEES-OATHS OF OFFICE: The Vice-Mayor advised that the four-year terms of office of Gilbert E. Butler, Jr., D. Kent Chrisman, and Melvin Hill as members of the City Planning Commission expired on December 31, 2002, Mr. Hill has declined to serve another term, and called for nominations to fill the vacancies.

Mr. Bestpitch placed in nomination the names of Gilbert E. Butler, Jr., D. Kent Chrisman and Henry Scholz.

There being no further nominations, Messrs. Butler, Chrisman and Scholz were reappointed/appointed as members of the City Planning Commission, for terms ending December 31, 2006, by the following vote:

FOR MESSRS. BUTLER, CHRISMAN and SCHOLZ: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris-----6.

(Mayor Smith was absent.)

There being no further business, at 11:40 a.m., the Council meeting was declared in recess until 2:00 p.m., in the City Council Chamber.

The Council meeting reconvened at 2:00 p.m., on Monday, March 3, 2003, in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Vice-Mayor Harris presiding.

PRESENT: Council Members Linda F. Wyatt, William D. Bestpitch, William H. Carder, M. Rupert Cutler, Alfred T. Dowe, Jr., and Vice-Mayor C. Nelson Harris-----6.

ABSENT: Mayor Ralph K. Smith-----1.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The meeting was opened with a prayer by David Springer, Member, Bahai' Faith.

The Pledge of Allegiance to the Flag of the United States of America was led by Vice-Mayor Harris.

PRESENTATIONS AND ACKNOWLEDGMENTS:

PROCLAMATIONS: Vice-Mayor Harris presented a proclamation declaring the month of March 2003 as American Red Cross Month.

CONSENT AGENDA

The Vice-Mayor advised that all matters listed under the Consent Agenda were considered to be routine by the Members of Council and would be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion was desired, that item would be removed from the Consent Agenda and considered separately.

AIRPORT-EASEMENTS-CITY PROPERTY: A communication from the City Manager requesting that Council schedule a public hearing for Monday, March 17, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to an encroachment into the public right-of-way at the main entrance of the Roanoke Regional Airport, Official Tax No. 6640115, was before the body.

Mr. Carder moved that Council concur in the request of the City Manager. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent).

PURCHASE/SALE OF PROPERTY-AIRPORT-CITY PROPERTY: A communication from the City Manager requesting that Council schedule a public hearing for Monday, March 17, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to a proposed conveyance of City-owned property on Municipal Road, N. E., identified as Official Tax No. 6640123, was before the body.

Mr. Carder moved that Council concur in the request of the City Manager. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent).

REGULAR AGENDA

PUBLIC HEARINGS: NONE.

PETITIONS AND COMMUNICATIONS:

REAL ESTATE VALUATION-CITY EMPLOYEES: A communication from Vice-Mayor C. Nelson Harris, Chair, City Council Personnel Committee, advising of the retirement of Willard N. Claytor, Director, Real Estate Valuation, effective July 31, 2003, was before Council.

As Chairman of the Personnel Committee, he requested that the following actions be taken: (1) given Mr. Claytor's many years of outstanding service to the City Council and to the City of Roanoke, the City Clerk is requested to arrange an appropriate retirement function for Mr. Claytor; (2) the Director of Finance is requested to provide a brief written summary relative to his plans for integrating the Real Estate Valuation function into his office, effective August 1, 2003, and during the spring meeting of the Personnel Committee when determining salary adjustments, it would be appropriate for Council to consider an appropriate pay increase for the Director of Finance related to his increased responsibilities in assuming this function; and (3) the City Attorney is requested to prepare the necessary action to remove the Director of Real Estate Valuation position from a Council-Appointed position to a Director of Finance position, effective August 1, 2003.

Without objection by Council, the Vice-Mayor advised that the communication would be received and filed.

LANDMARKS/ HISTORIC PRESERVATION: Council at its regular meeting on Tuesday, February 18, 2003, having deferred action on a request of the Roanoke Valley Preservation Foundation for endorsement by Council of a resolution recognizing the architectural and historic significance of the Fairacres property, located at 2713 Avenham Avenue, S. W., the matter was again before the body.

Mr. Cutler offered the following resolution:

(#36249-030303) A RESOLUTION recognizing the architectural and historic significance of the Fairacres property.

(For full text of Resolution, see Resolution Book No. 97, page 143.)

Mr. Cutler moved the adoption of Resolution No. 36249-030303. The motion was seconded by Mr. Dowe.

Mr. Cutler requested that the record reflect that the Fairacres property is of architectural and historic significance, but it should be noted that the resolution does not affect the rights of the Roanoke Council of Garden Clubs to develop the property, and he supports those sentiments as expressed in the resolution.

Charles H. Osterhoudt, Attorney, representing the Roanoke Council of Garden Clubs, Inc., owner of the property, advised that his client opposes adoption of the resolution at this time; however, the position of his client does not mean that it is opposed saving and preserving the property in its present status. He stated that the organization is well aware of the fact that there are persons in the community, particularly in the South Roanoke area, who oppose any change to the property, but maintaining the property is a burden that the organization can no longer carry, and is a question that should be passed on to a new owner. He advised that the Roanoke Council of Garden Clubs, Inc., is an umbrella organization, the constituent members of which are the various garden clubs located throughout the Roanoke Valley; when the Fairacres property was acquired in 1964 from the Stevenson family, there were 52 such garden club organizations in the Roanoke Valley and over 1500 members; and today there are only 22 organizations with approximately 600 members. He called attention to restrictions on the use of the Fairacres property; in 1992, the Roanoke Council of Garden Clubs sought approval to use the property for other purposes, which was widely opposed by the neighborhood; and in order for the Council of Garden Clubs to survive, it must relocate to an area that is easier to maintain and more compatible with its fund raising efforts. Therefore, he stated that the Roanoke Council of Garden Clubs is of the opinion that a position in regard to the historic significance of Fairacres should await a new owner.

Sarah Bell Parrott, 3112 Somerset Street, S. W., President of the Mill Mountain Garden Club, one of the largest clubs in the Roanoke Council of Garden Clubs, advised that Fairacres is a historic home built by William C. Stevenson who was a prominent local businessman and an early citizen of Roanoke; the house was designed by the noted architectural firm of Frye and Chesterman, who were responsible for some of the most significant buildings in Roanoke; and the Tudor

Revival style house was a popular style in residential design in the first half of the twentieth century. Because of the relative youth of Roanoke, she stated that there are not many homes of this caliber and age; therefore, she requested that Council adopt the resolution which acknowledges both the architectural and historic significance of Fairacres, and will raise the awareness of its historic value to the Roanoke Valley.

Ms. Vikki Tomlinson, 25 Claybrook Court, Blue Ridge, Virginia, spoke in support of adoption of the resolution because of the historic significance of the Fairacres property.

Allison Blanton, 1701 Arlington Road, S. W., President of the Roanoke Valley Preservation Foundation, advised that the Preservation Foundation wishes to clarify that Fairacres is an architecturally and historically significant property in the City of Roanoke, and encourages property owners to be aware of the historic significance as plans are finalized for the future of Fairacres.

Barbara N. Duerk, 2607 Rosalind Avenue, S. W., who served as President of Neighbors in South Roanoke when the South Roanoke Neighborhood Plan was adopted in 1988, advised that South Roanoke's values are listed as community values and are important to the unique neighborhood character and quality of life; the history and architecture of the neighborhood are important features that should be acknowledged and protected; and residents value gateway entrances, along with new development and construction that should be compatible with the design and scale of existing residential and commercial development. She stated that the neighborhood plan specifically refers to the importance of historic and architectural resources; therefore, Fairacres is one of the most prominent resources that should be protected. She advised that a sense of place should be maintained, and encouraged Council to adopt the resolution recognizing the architectural and historic significance of the Fairacres property.

Mr. Carder advised that the proposed resolution does not in any way affect what can be done with the Fairacres property, but simply states that Fairacres adds to the historic value of the neighborhood.

Resolution No. 36249-030303 was adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris -----6.

NAYS: None-----0.

(Mayor Smith was absent.)

SCHOOLS: Dr. Rita Bishop, Associate Superintendent for Instructional Systems, Roanoke City Public Schools, presented a briefing on the English Language Learner's Program (ELL).

She advised that the ELL must be based in sound educational theory, exhibit effective implementation of the educational theory, provide necessary resources for success, ensure regular evaluation and modification (when needed), and provide equitable access for students; guiding principles provide trained and knowledgeable staff, ensure that administrators and teachers are skilled in effective instructional practices for ELL, inform parents/guardians regarding ELL policies and practices, and be accountable for the success of its students. She presented results of a survey of Limited English Proficient Students as of January 30, 2003, totaling 432 in Pre Kindergarten through Grade 6; and students were served as follows in the English Language Learner's Program.

1996 - 1997 - 123
1997 - 1998 - 129
1998 - 1999 - 194
1999 - 2000 - 225
2000 - 2001 - 302
2001 - 2002 - 353
2002 - 2003 - 432

Without objection by Council, the Vice-Mayor advised that the briefing would be received and filed.

REPORTS OF OFFICERS:

CITY MANAGER:

BRIEFINGS: NONE.

ITEMS RECOMMENDED FOR ACTION:

EMERGENCY SERVICES-FLOOD REDUCTION/CONTROL-SNOW REMOVAL: The City Manager submitted a communication advising that on February 24, 2003, the City was notified by the Virginia Department of Emergency Management that the Governor had declared a State of Emergency for snow removal due to expenses incurred by the Virginia Department of Transportation; once a State of Emergency has been declared, localities responsible for their own snow removal efforts are eligible to apply for public assistance; if approved, the City would be eligible for snow removal for a 48 hour period, including such activities as plowing, cleaning sidewalks and chemicals; the 48 hour period will cover from February 15, 2003, at 7:00 p.m., through Monday, February 17, 2003, at 7:00 p.m.; and costs claimed for the period totaled \$107,798.27.

It was further advised that the City experienced a flood event commencing Saturday, February 22, 2003, which resulted in both public and private damage and significant cost to the City in dealing with the impact of the emergency; and an initial estimate of cost for the event includes \$1,031,100.00 in damage to public property and \$1,322,500.00 in damage to homes and businesses, which estimates are subject to change as findings are updated and insurance estimates are received.

It was explained that damage estimates, a slow economy, and reductions in State funding limit the City's ability to cover the cost of expenses resulting from these events; on February 25, the City Manager declared emergencies to exist for both of these events based on information received by the Virginia Department of Emergency Management; declaration of a local emergency does not automatically guarantee that State and Federal financial assistance will be provided; and the Governor will make a decision on whether or not to request Federal assistance, once State-wide damage estimates are received.

The City Manager recommended that Council confirm the City Manager's action declaring local emergencies to exist for snow for the period February 15 - February 17, 2003, and for a flood commencing on February 22, 2003.

Mr. Dowe offered the following resolution:

(#36250-030303) A RESOLUTION confirming the declaration of a local snow emergency; conferring emergency powers in the City Manager as Director of Emergency Management; authorizing the City Manager to make application for Federal and State public assistance to deal with such emergency; designating a fiscal agent and an agent for submission of financial information for the City; and calling upon the Federal and State governments for assistance.

(For full text of Resolution, see Resolution Book No. 97, page 144.)

Mr. Dowe moved the adoption of Resolution No. 36250-030303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent).

Mr. Dowe offered the following resolution:

(#36251-030303) A RESOLUTION confirming the declaration of a local flooding emergency; conferring emergency powers in the City Manager as Director of Emergency Management; authorizing the City Manager to make application for Federal and State public assistance to deal with such emergency; designating a fiscal agent and an agent for submission of financial information for the City; and calling upon the Federal and State governments for assistance.

(For full text of Resolution, see Resolution Book No. 97, page 146.)

Mr. Dowe moved the adoption of Resolution No. 36251-030303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent).

EASEMENTS-SIGNS/BILLBOARDS/AWNINGS: The City Manager submitted a communication advising that Shellco, LLC, owner of 216 Market Street, S. E., located at the corner of Market Street and Kirk Avenue, has requested permission to retain awnings that encroach into the public rights-of-way of both Market Street and Kirk Avenue; the revocable encroachments will extend approximately 40 inches into the right-of-way of Kirk Avenue and approximately 48 inches into the right-of-way of Market Street, at a minimum height above the sidewalk of nine feet; right-of-way of Kirk Avenue at this location is approximately 25 feet in width, and the right-of-way

of Market Street at this location is approximately 50 feet in width; and liability insurance and indemnification of the City by the applicant shall be provided, subject to approval by the City's Risk Manager.

The City Manager recommended that Council adopt an ordinance granting a revocable license to the property owner at 216 Market Street, S. E., to allow awnings that encroach into the rights-of-way of both Market Street and Kirk Avenue to remain.

Mr. Dowe offered the following ordinance:

(#36252-030303) AN ORDINANCE granting a revocable license to permit the encroachment of an awning at a minimum height above the sidewalk of nine feet, extending approximately 40 inches in the public right-of-way of Kirk Avenue and extending approximately 48 inches into the public right-of-way of Market Street, S. E., from property bearing Official Tax No. 4010902, upon certain terms and conditions; and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 97, page 148.)

Mr. Dowe moved the adoption of Ordinance No. 36252-030303. The motion was seconded by Mr. Carder and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

EASEMENTS-EQUIPMENT: The City Manager submitted a communication advising that the City of Roanoke's Departmental Environmental Representatives Team is implementing a program to recycle used cartridges from printers, fax machines and copiers owned by the City; arrangements for recycling the cartridges have been coordinated with a Recycling Center located in Franklin, Tennessee; the Recycling Center has sent the City, free of charge, envelopes and boxes to ship used cartridges to its facility, postage paid; in return, the Recycling Center will pay a small amount, between \$0.50 and \$5.00 per item, depending upon the size and type, for the cartridges that are received; the Recycling Center has developed equipment that processes cartridges and refills them for resale; and these "remanufactured" cartridges are available under several brand names through most office supply companies.

It was further advised that while team members wish to implement the recycling program, receiving and handling checks for such small amounts will be cumbersome for the City; therefore, the team would like to designate the checks to be sent to the Clean Valley Council as a contribution; the Executive Director and staff of the Clean Valley Council support the program and will accept contributions, with checks to be sent directly from the Recycling Center to the Clean Valley Council; total annual contributions to the Clean Valley Council are not expected to exceed \$500.00; the program will be evaluated by the Departmental Environmental Representatives Team annually to track its success; and if the amount contributed is higher than expected, the team will consider whether to include other organizations for this donation, or to retain the funds for City operations.

The City Manager recommended that she be authorized to approve the printer cartridge program as developed by the Departmental Environmental Representatives Team and approve payment for recycled cartridges as contributions to the Clean Valley Council.

Mr. Dowe offered the following resolution:

(#36253-030303) A RESOLUTION authorizing the City Manager to review and approve a Printer Cartridge Recycling Program that has been developed by the City of Roanoke's Departmental Environmental Representatives Team; authorizing the City Manager to provide for the assignment or designation of funds due to the City from the recycling entity that receives the printer cartridges be sent to the Clean Valley Council, Inc., as a contribution from the City, subject to certain conditions; and authorizing the City Manager to take such further action and to execute and provide such documents as may be necessary to implement this program.

(For full text of Resolution, see Resolution Book No. 97, page 151.)

Mr. Dowe moved the adoption of Resolution No. 36253-030303. The motion was seconded by Mr. Carder and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

BUDGET-EMERGENCY SERVICES-GRANTS: The City Manager submitted a communication advising that the purpose of the U. S. Department of Justice Equipment Grant Program is to assist Virginia localities in preparation for their response to weapons of mass destruction incidents; the Commonwealth of Virginia Department of Emergency Management (VDEM) is the designated State agency charged with the responsibility of managing the grants; Department of Justice Grants are intended to allow local governments to purchase response equipment that the locality identifies as needed; funding is restricted to the purchase of equipment from a specified and limited number of commodity areas and personal protective equipment for police officers will be purchased with the funds; grant funds are awarded retroactive to 1999 through 2002; and the total amount of funding allocated to the City of Roanoke is as follows:

<u>GRANT</u>	<u>AWARD AMOUNT</u>	<u>FUNDS MUST BE OBLIGATED BY</u>
1999 Grant	\$ 3,777.72	March 23, 2003
2000 Grant	\$ 11,000.96	July 31, 2004
2001 Grant	\$ 11,269.10	July 31, 2004
2002 Grant	\$ 45,405.31	July 31, 2004

TOTAL AWARD: \$ 71,453.10

It was explained that the funds do not require a local match, and application for drawdown of grant funds requires execution by the governing body of the City of Roanoke of the Designation of Applicants Agent Resolution.

The City Manager recommended that Council accept the Virginia Department of Emergency Management Grant and that the City Manager be authorized to execute the grant agreement and any related documents; and appropriate State grant funds of \$71,453.00, with a corresponding revenue estimate, in accounts to be established by the Director of Finance in the Grant Fund.

Mr. Carder offered the following budget ordinance:

(#36254-030303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 97, page 152.)

Mr. Carder moved the adoption of Ordinance No. 36254-030303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

Mr. Carder offered the following resolution:

(#36255-030303) A RESOLUTION authorizing the acceptance of the Commonwealth of Virginia Department of Emergency Management Grant by the U. S. Department of Justice Equipment Grant Program and authorizing the execution of any required documentation on behalf of the City.

(For full text of Resolution, see Resolution Book No. 97, page 153.)

Mr. Carder moved the adoption of Resolution No. 36255-030303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

Mr. Cutler offered the following resolution:

(#36256-030303) A RESOLUTION designating the City of Roanoke's agent for the purposes of the National Domestic Preparedness Office Grant Program(s) administered by the Commonwealth of Virginia.

(For full text of Resolution, see Resolution Book No. 97, page 154.)

Mr. Cutler moved the adoption of Resolution No. 36256-030303. The motion was seconded by Mr. Carder and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe, and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

CITY EMPLOYEES WORKERS COMPENSATION: The City Manager submitted a communication advising that Council adopted Resolution No. 4748 on February 28, 1936, which granted pay benefits to certain City employees who were absent from employment due to personal injuries received in the line of duty for up to 60 days; on February 7, 2000, Council repealed Resolution No. 4748 and adopted Resolution No. 34671-020700 which granted pay benefits to all full-time City employees who are absent from employment due to personal injuries received in the line of duty for up to six months; an unanticipated result of this resolution occurs when an employee is injured on the job, receives conservative medical treatment, but is later required to undergo surgery as part of the medical care; and in these rare cases, the employee may not benefit from the full period of supplemental pay.

It was further advised that these inequities can be addressed by repealing Resolution Nos. 4748 and 34671-020700 and adopting a new resolution which authorizes the City Manager to approve supplemental pay for any full-time City employee who receives a bodily injury arising out of and in the course of his or her employment with the City of Roanoke, and who, as a result of such injury, receives temporary disability benefits pursuant to the Workers' Compensation Act; in general, the City Manager may authorize supplemental pay under such circumstances during only the first 26 weeks after the date of injury, and such supplemental pay may continue until either the end of the 26 week period, or until such employee is able to return to duty, whichever occurs first; if an employee, after having received supplemental pay during the 26 week period, and after returning to full or modified duty with the City of Roanoke, becomes once again unable to perform full or modified duty with the City of Roanoke during the 26 week period as a result of such injury, the City Manager may authorize supplemental pay while the employee is absent from work until the end of the 26 week period, or until the employee is able to return to duty, whichever occurs first; however, the above notwithstanding, if at any time an employee is unable to return to full or modified duty with the City of Roanoke due to surgery necessitated by the injury, the City Manager may authorize supplemental pay upon the employee's absence from work, which supplemental pay may continue until the employee is otherwise no longer eligible to receive supplemental pay.

It was explained that the amount of supplemental pay authorized by a proposed measure shall be an amount equal to the difference between the employee's regular base pay with the City of Roanoke and any temporary disability benefits paid to the employee pursuant to the Workers' Compensation Act; and in no case shall any employee receive supplemental pay authorized by the proposed measure for a total period of time greater than 26 weeks for any single injury.

The City Manager recommend that Council repeal Resolution Nos. 4748 and 34671-020700 and adopt a new resolution, retroactive to February 7, 2000.

Ms. Wyatt offered the following resolution:

(#36257-030303) A RESOLUTION extending certain pay benefits to full-time City employees who incur injuries arising out of and in the course of their employment; and repealing Resolution No. 4748, adopted February 28, 1936, and Resolution No. 34671-020700, adopted February 7, 2000.

(For full text of Resolution, see Resolution Book No. 97, page 156.)

Ms. Wyatt moved the adoption of Resolution No. 36257-030303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

TRAFFIC-BUDGET-ARMORY/STADIUM-ROANOKE CIVIC CENTER-TRANSPORTATION SAFETY: The City Manager submitted a communication advising that Council was briefed on the City's plans to control event traffic for Civic Center and Stadium/Amphitheater activities; the fundamental element of the traffic control plan includes the use of intelligent transportation system components to observe and manage event traffic; motorists will be provided with guidance by temporary directional signs and by activating Dynamic Message Signs that will direct traffic to the appropriate facility entrance, or shuttle parking location; and a requested appropriation will provide funding (\$370,579.00) to purchase Dynamic Message Signs and to modify traffic islands at the Civic Center's main entrance for improved shuttle bus maneuverability.

The City Manager recommended that Council appropriate \$322,111.00 from increased State Street Maintenance Revenues, and transfer \$48,468.00 from the Paving Program, Account No. 001-530-4120-2010, to a new account in the Capital Projects Fund to be entitled, Event Traffic Management.

Mr. Dowe offered the following budget ordinance:

(#36258-030303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 General and Capital Projects Funds Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 97, page 158.)

Mr. Dowe moved the adoption of Ordinance No. 36258-030303. The motion was seconded by Mr. Carder.

Mr. Bestpitch inquired as to whether persons attending events at the Roanoke Civic Center can obtain information on the availability of parking garages and shuttle bus service in advance of the event; whereupon, the City Manager advised that message signs will be one of the mechanisms to direct patrons.

The Acting Director of the Civic Center advised that in addition to planning traffic management planning, City staff will work with the news media two days prior to an event to inform the public of the availability of shuttle buses and parking decks, etc.

In a further discussion of the matter, the City Manager advised that the Williamson Road parking garage would be the first garage to be activated for Civic Center parking.

It was suggested that available parking decks for each civic center event be posted on the City’s web site.

Ordinance No. 36258-030303 was adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

SNOW REMOVAL: The City Manager submitted a communication advising that the transfer of \$250,000.00 to the Snow Removal account was approved at the February 18, 2003 meeting of Council; following transfer of the additional funds, it was determined that an emergency procurement of salt was necessary to adequately prepare for upcoming winter weather; weather forecasts predicted a continuation of the weekly trend of winter; therefore, it was determined that the existing salt supplies were not adequate to support pending snow and ice removal efforts; in accordance with Section 41 of the City Charter of the City of Roanoke, public advertisement for bids was suspended and written bids were solicited from known salt providers within the Roanoke region; and a 2,000 ton order was placed with Cargill Salt, Inc., in the amount of \$119,160.00 (\$59.58 per ton delivered).

The City Manager recommended that the report be received and filed in accordance with Section 41 of the Roanoke City Charter.

Mr. Cutler referred to newspaper articles regarding the environmental impact of salt on aquatic habitats and water supplies, etc., and inquired as to monitoring efforts by the City, if any, relative to the Stormwater Management Program which is designed to reduce the contamination of surface waters.

The City Manager responded that the matter is currently under review by City staff for future consideration.

Without objection by Council, the Vice-Mayor advised that the report would be received and filed.

CITY CLERK:

SCHOOLS: The City Clerk submitted a written report advising that on June 30, 2003, the three-year terms of office of F. B. Webster Day, Marsha W. Ellison and Gloria P. Manns as Trustees of the Roanoke City School Board will expire; Ms. Ellison is ineligible to serve another term inasmuch as she has served three consecutive three year terms of office; pursuant to Chapter 9, Education, of the Code of the City of Roanoke (1979), as amended, establishing a procedure for the election of School Trustees, Council must hold certain meetings and take certain actions during the months of March, April and May to conform with the selection process; and the concurrence of Council in establishing the following dates is requested.

- (1) On Monday, March 17, 2003, at 2:00 p.m., or as soon thereafter as the matter may be heard, Council as a Committee of the Whole, will review and consider all candidates for the position of School Trustee. At such meeting, Council shall review all applications filed for the position and Council may elect to interview candidates for such positions.**
- (2) On Monday, April 7, 2003, at 2:00 p.m., or as soon thereafter as the matter may be heard, Council will, by public vote, select from the field of candidates, those candidates to be accorded the formal interview and all other candidates will be eliminated from the School Trustee selection process. The number of candidates to be granted the interview shall not exceed three times the number of positions available on the Roanoke City School Board, should there be so many candidates.**
- (3) On Monday, April 21, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, Council will hold a public hearing to receive the views of citizens.**
- (4) On Thursday, April 24, 2003, at 4:30 p.m., Council will hold a meeting for the purpose of conducting a public interview of candidates for the position of School Trustee.**
- (5) On Monday, May 5, 2003, at 2:00 p.m., or as soon thereafter as the matter may be heard, Council will hold an election to fill the three vacancies, for terms commencing July 1, 2003, and ending June 30, 2006.**

There being no questions, and without objection by Council, the Vice-Mayor advised that the report would be received and filed.

DIRECTOR OF FINANCE:

DIRECTOR OF FINANCE-COMMITTEES: The Director of Finance submitted the Financial Report for the City of Roanoke for the month of January 2003.

There being no questions, and without objection by Council, the Vice-Mayor advised that the January 2003 Financial Report would be received and filed.

REPORTS OF COMMITTEES:

ZONING-ANIMALS/INSECTS: The City Planning Commission submitted a written report in connection with a referral by Council regarding a request to initiate an amendment to the Zoning Ordinance to provide for establishment of veterinary clinics, by special exception, in the C-3, Central Business District, subject to approval by the Board of Zoning Appeals.

It was advised that the Director of Planning, Building and Development, provided background information on the request to the City Planning Commission and called attention that an amendment of the C-3 zoning district would apply to all properties in the district, including the core of downtown, and not just to the property that The Angels of Assisi propose to purchase.

The City Planning Commission recommended that a petition to amend the C-3 Central Business District regulations, to include veterinary clinics, without corrals and pens, as a special exception use, be initiated.

Mr. Bestpitch offered the following resolution:

(#36259-030303) A RESOLUTION authorizing the City Manager to file a petition, seeking an amendment of §36.1-228, Special exception uses, of the Code of the City of Roanoke (1979), as amended, to provide for the establishment of veterinary clinics as a special exception use in the C-3, Central Business District, of the City of Roanoke.

(For full text of Resolution, see Resolution Book No. 97, page 159.)

Mr. Bestpitch moved the adoption of Resolution No. 36259-030303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Bestpitch, Carder, Cutler and Vice-Mayor Harris---4.

NAYS: Council Members Wyatt and Dowe-----2.

(Mayor Smith was absent.)

UNFINISHED BUSINESS: None.

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

COMMITTEES-INDUSTRIES: Mr. Carder offered the following resolution appointing Allen D. Williams as a Director of the Industrial Development Authority of the City of Roanoke, to fill the unexpired term of Stark H. Jones, resigned, ending October 20, 2006:

(#36260-030303) A RESOLUTION appointing Allen D. Williams as a Director on the Board of Directors of the Industrial Development Authority of the City of Roanoke, to fill the unexpired term of Stark H. Jones, ending October 20, 2006.

(For full text of Resolution, see Resolution Book No. 97, page 160.)

Mr. Carder moved the adoption of Resolution No. 36260-030303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder, Cutler, Dowe and Vice-Mayor Harris-----6.

NAYS: None-----0.

(Mayor Smith was absent.)

MOTIONS AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

ACTS OF ACKNOWLEDGMENT-LEGISLATION: Council Member Carder expressed appreciation to Senator John S. Edwards, Delegates A. Victor Thomas and Clifton A. Woodrum, III, Thomas A. Dick, Legislative Liaison, and William M. Hackworth, City Attorney, for their efforts in connection with the City's 2003 Legislative Program. He advised that six key initiatives were identified and all six were approved by the Virginia General Assembly.

BUDGET-CITY GOVERNMENT: Council Member Carder expressed appreciation to the City Manager and to City staff for their response to his inquiry regarding information on those programs that have been mandated by State and Federal Governments, but have not been funded and/or funding was reduced by the State and/or Federal governments.

ACTS OF ACKNOWLEDGMENT-BRIDGES: Council Member Dowe advised that the word “appropriate memorial” and “Dr. Martin Luther King, Jr.” are not synonymous terms. He stated that there is nothing that can be named in Dr. King’s honor that would be appropriate in view of the many contributions that he made for the betterment of his fellow man. He advised that his motive in offering the suggestion to name the First Street Bridge in memory of Dr. King was intended to honor the “man.”

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that Council sets this time as a priority for citizens to be heard, and matters requiring referral to the City Manager will be referred immediately for any necessary and appropriate response, recommendation or report to Council.

ROANOKE CIVIC CENTER: Ms. Evelyn D. Bethel, 35 Patton Avenue, N. E., suggested that Roanoke Civic Center patrons, when ordering/purchasing tickets, be permitted to select the parking deck of their choice, which will enable the City to keep a tally of the number of persons expected to park in each parking garage.

COMPLAINTS-BRIDGES-CITY GOVERNMENT-CITY EMPLOYEES-FLOOD REDUCTION/CONTROL: Mr. Robert Gravely, 3360 Hershberger Road, N. W., spoke with regard to flooding conditions in the City of Roanoke on Saturday, February 22, 2003. He expressed concern that the naming of the First Street Bridge in memory of Dr. King is not a befitting memorial; low wages for citizens of the City of Roanoke; and the voices of citizens are not being heard by their City government.

CITY MANAGER COMMENTS:

ACTS OF ACKNOWLEDGE-CITY EMPLOYEES: The City Manager commended City employees for their participation in Citizens Appreciation Day which was held on Saturday, March 1, 2003, at Valley View Mall. She stated that the event provided an opportunity to showcase the various services offered to citizens by the City of Roanoke.

There being no further business, at 3:40 p.m., the Vice-Mayor declared the meeting in recess until Friday, March 7, 2003, at 8:30 a.m., for the Council’s Financial Planning Session to be held in Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue S. W., Roanoke, Virginia.

The Council meeting reconvened on Friday, March 7, 2003, at 8:30 a.m., in the Emergency Operations Center Conference Room, Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with Vice-Mayor C. Nelson Harris presiding.

PRESENT: Council Members Linda F. Wyatt (arrived late), William D. Bestpitch, William H. Carder, M. Rupert Cutler, and Vice-Mayor C. Nelson Harris-----5.

ABSENT: Mayor Ralph K. Smith and Council Member Alfred T. Dowe, Jr.-----2.

STAFF PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; Mary F. Parker, City Clerk; Willard N. Claytor, Director of Real Estate Valuation; Troy A. Harmon, Municipal Auditor; George C. Snead, Jr., Assistant City Manager for Operations; Barry L. Key, Director of Management Budget; Ann H. Shawver, Deputy Director of Finance; Sherman M. Stovall, Planning Support Service Supervisor; Philip C. Schirmer, City Engineer; Michael T. McEvoy, Director of Utilities; Richard L. Kelley, Assistant Superintendent of Operations; and F. B. Webster Day, Trustee, Roanoke City School Board.

COUNCIL-BUDGET: Vice-Mayor Harris advised that the purpose of the meeting was to engage in discussion regarding the City's financial condition; whereupon, he turned the meeting over to Council Member Bestpitch, Chair, Budget and Planning Committee.

Following brief introductory remarks, Chairman Bestpitch called upon the City Manager for remarks; whereupon, the City Manager advised that City staff had prepared a presentation with regard to a multi-year financial plan for the City's General Fund; and various presentations would be made by Jesse A. Hall, Ann H. Shawver, and Barry L. Key, Director and Deputy Director of Finance and Director of Management and Budget, respectively.

Mr. Key advised that the multi-year financial plan components will include a five-year forecast for revenues and expenditures for fiscal year 2003 - 2007, focusing on General Fund trends and assumptions in preparing the budget forecast; a gap analysis including difference in revenue and expenditures forecasts in the next five years, with strategies to close the gap; and comparisons with peer localities. He reviewed charts detailing positive trends in local taxes in real estate, and prepared food and beverage from 1993 - 2003, which show a steady growth in Roanoke's first and fifth largest local tax sources. He reviewed warning trends in local taxes in the

areas of personal property tax revenues, sales tax revenues, business license revenues from 1993 - 2003, which show a declining growth in Roanoke's second, third and fourth largest local tax sources.

Council Member Bestpitch inquired if citizens could be provided with information on cost savings from the time that the real estate tax rate was \$1.64 per \$100.00 of assessed value to the present when the real estate tax rate is \$1.21 per \$100.00 of assessed value. It was pointed out that the 43 cents difference is worth approximately \$19 million.

At this point, Ms. Wyatt entered the meeting. (8:45 a.m.)

There was discussion with regard to personal property tax revenue/decals in which it was pointed out that decal purchase makes up only one-half of the total personal property collected, and a number of factors affect the amount of revenue collected.

Charts were reviewed in connection with warning trends in local taxes relative to sales tax revenue and business license revenue, which show a declining growth in Roanoke's second, third, and fourth largest local tax sources; key financial assumptions in revenues point out that there will be a continuation of reduced growth trends in local tax revenue categories; i.e.: general property taxes, other local taxes, total local taxes, and intergovernmental revenues (very limited growth), total revenues, and there will be less buying power.

Ms. Wyatt inquired as to the availability of data on the number of unfunded State/Federal mandates during the past five to ten years; whereupon, the City Manager advised that the information could be compiled.

Other priority revenue issues for fiscal year 2004 to 2007 include:

Key Financial Assumptions Revenues:

- Change in Admissions Tax rate structure to a mixed rate structure
- One rate for City-owned facilities and a lower rate for all other entities collecting the tax
- Loss of reimbursement for direct and indirect services provided to Water and Sewer Fund with creation of regional water authority

Direct Services \$ 708,000.00
 (Partially offset by related expenditure reduction)
 Indirect Services \$ 1,122,000.00
 Total Revenue Loss \$ 1,830,000.00

Revenue forecast for fiscal years 2003 to 2007:

Revenue Source	FY 03	FY 04	FY 05	FY 06	FY 07
General Property Taxes	78,340,707.00	83,396,050.00	86,206,770.00	89,119,047.00	92,136,715.00
Other Local Taxes	59,301,164.00	60,648,777.00	62,057,297.00	63,600,414.00	65,195,117.00
Permits, Fees & Licenses	1,030,694.00	901,122.00	946,119.00	993,366.00	1,042,974.00
Fines and Forfeitures	1,116,350.00	1,296,130.00	1,347,175.00	1,400,262.00	1,455,473.00
Use of Money and Property	1,082,729.00	970,241.00	955,909.00	957,885.00	959,936.00
Intergovernmental	45,721,695.00	45,285,816.00	45,450,568.00	45,575,568.00	45,725,568.00
Charges for Current Services	6,655,980.00	6,546,152.00	4,893,276.00	4,998,540.00	5,123,945.00
Miscellaneous	295,045.00	263,374.00	268,641.00	274,013.00	279,493.00
TOTALS	193,544,364.00	199,307,662.00	202,125,755.00	206,919,095.00	211,919,221.00
% GROWTH	1.15 %	2.98 %	1.41 %	2.37 %	2.42 %

It was explained that positive trends in expenditures include a steady growth in local funds for Roanoke's largest expenditure category which is education, including operating debt service and CMERP funding; and the Roanoke City Public Schools receive 36.4 per cent of local tax growth, subject to certain exclusions of targeted local taxes such as the E911 tax.

It was noted that there is controlled growth in Roanoke's second, third, fourth and sixth largest expenditure categories; i.e.: public safety, health and welfare, public works and general government; there is significant growth in Roanoke's fifth largest expenditure category; i.e.: debt service and capital projects, which growth is driven by approved capital improvement program projects requiring cash or bond funding.

It was explained that key financial assumptions in regard to expenditures are that historically, expenditure growth rates will continue for employee salaries and fringe benefits and operating expenses; there will be continued controlled growth in employee staffing levels; and total expenditures continue to exceed the CPI by approximately 2.5 per cent annually to provide a competitive employee compensation package; and maintain quality services, including public schools, fund capital maintenance and equipment replacement needs, and fund community improvements.

There was discussion in regard to uses for Municipal North when the Social Services Department relocates to its new office space in the former Sears building on Williamson Road; whereupon, the City Manager advised that two commitments have been made with regard to the vacated space in Municipal North, and it would be the recommendation of the City administration to conduct a space analysis study. A Member of Council called attention to a special needs analysis of the Municipal Complex which was conducted several years ago and it was suggested that the City Manager review the consultants' report prior to contracting for another study.

The following key financial assumptions with regard to expenditures were reviewed:

Other priority funding needs for FY 2004 to FY 2007

- Continued sharing of local tax revenues with Roanoke City Public Schools based on current formula
- Increased contribution rate for Employee Retirement System (6.25% to 7.59%) in FY04 - \$691,000.00 - and subsequent potential increase in FY05
- Increased contribution rate for Sheriff/Jail employees in the Virginia Retirement System in FY05 - \$33,000.00
- Increased cost of Employee Health Insurance in FY04 - \$342,000.00 and subsequent annual increases FY05 to FY07
- Increased local operating expense for new Health and Human Services Building beginning in FY04 - \$544,000.00 and increasing to \$849,000.00 in FY05

Note: Current state reimbursement of \$394,000.00 annually for Municipal North renovation due to expire, reducing net local increase to \$455,000.00 annually.

- Increased operating expense for Regional SPCA beginning in FY04 - \$192,000.00 and increasing to \$314,000.00 in FY05
- City Council's budget priority to restore recurring funding in the operating budget for Equipment Replacement, Fixed Asset Maintenance, Paving and Technology needs
- **Equipment Replacement**
 - Funding Goal - \$2.5 million by FY07
 - \$306,250.00 increase in FY04 to \$1,531,250.00
- **Fixed Asset Maintenance**
 - Funding Goal - \$750,000.00 by FY07
 - \$255,000.00 increase in FY04 to \$600,000.00
- **Paving Program**
 - Funding Goal - \$2.5 million by FY07
 - \$322,111.00 increase in FY04 to \$2,075,000.00
- **Technology - Financial Systems Replacement Project**
 - Funding Goal - \$1.0 million by FY07
 - \$475,000.00 increase in FY04 to \$879,000.00 (supplements existing capital lease funding for personal computer replacement program)

Total of \$1,358,361.00 in FY04

Expenditure forecast for fiscal year 2003 - 2007:

Expenditure Category	FY03	FY04	FY05	FY06	FY07
Community Development	\$2,931,162.00	\$3,050,110.00	\$3,174,000.00	\$3,303,040.00	\$3,437,448.00
Education	46,716,745.00	48,846,240.00	50,277,003.00	51,787,847.00	53,351,922.00
General Government	11,628,249.00	12,091,338.00	11,865,256.00	12,366,774.00	12,888,693.00
Health and Welfare	27,563,019.00	28,853,662.00	29,995,575.00	30,880,934.00	31,793,947.00
Judicial Administration	6,075,490.00	6,297,139.00	6,527,060.00	6,765,554.00	7,012,938.00
Non-Departmental	22,884,223.00	25,111,858.00	26,806,139.00	28,312,735.00	29,405,363.00

Parks, Recreation & Cultural	9,975,369.00	10,417,784.00	10,765,185.00	11,124,444.00	11,495,944.00
Public Safety	45,265,057.00	47,243,638.00	49,256,281.00	51,195,595.00	53,210,738.00
Public Works	20,505,050.00	21,746,464.00	22,635,626.00	23,525,572.00	24,467,316.00
TOTALS	193,544,364.00	203,658,234.00	211,302,125.00	219,262,496.00	227,064,309.00
% GROWTH	1.15 %	5.23 %	3.75 %	3.77 %	3.56 %

Key Financial Assumptions in the Capital Improvement Program are:

- **FY2004 Capital Projects - \$40,355,000.00**
- **Previously Approved Bond Issue - \$14,300,000.00**
 - **Civic Center Improvements - Phase II - \$14,300,000.00**
- **Cash Funding - \$2,455,000.00**
 - **Building Condition Assessment Program - \$600,000.00**
 - **Dumas Center - \$100,000.00**
 - **Financial System Replacement - \$475,000.00**
 - **Grandin Theater - \$80,000.00**
 - **Mill Mountain Zoo Water System Upgrade - \$175,000.00**
 - **Passenger Station - \$625,000.00**
 - **Roanoke River Greenway - \$200,000.00**
 - **YMCA - \$200,000.00**
- **Debt Financing - \$23,630,00.00**
 - **Water Pollution Control Plant - \$23,630,000.00 - VWRLP Loan**
- **FY2005 Capital Projects - \$56,931,000.00**
 - Cash Funding - \$5,130,000.00**
 - **Building Condition Assessment Program - \$650,000.00**
 - **Dumas Center - \$100,000.00**
 - **Financial System Replacement - \$650,000.00**
 - **Fire-EMS Strategic Plan - \$250,000.00**
 - **Grandin Theater - \$80,000.00**
 - **Municipal North Renovation - \$2,000,000.00**
 - **Public Works Service Center - \$1,000,000.00**
 - **Roanoke River Greenway - \$200,000.00**
 - **YMCA - \$200,000.00**

- **Debt Financing - \$51,801,000.00**
 - **Art Museum/IMAX Theater - \$3,700,000.00**
 - **Fire-EMS Strategic Plan - \$4,431,000.00**
 - **High School Improvements - Patrick Henry High School - \$19,000,000.00**
 - **Parks Master Plan - \$7,000,000.00**
 - **Police Building - \$6,670,000.00**
 - **Stormwater Management Program - \$11,000,000.00 - Bond Issue funded from new stormwater management fee**

- **FY2006 Capital Projects - \$11,055,000.00**
 - Cash Funding - \$3,855,000.00**
 - **Building Condition Assessment Program - \$700,000.00**
 - **Dumas Center - \$100,000.00**
 - **Financial System Replacement - \$825,000.00**
 - **Grandin Theater - \$80,000.00**
 - **Roanoke Center for Industry and Technology - \$1,750,000.00**
 - **Roanoke River Greenway - \$200,000.00**
 - **South Jefferson Redevelopment Area Project - Riverside Centre for Research and Technology - \$3,665,000.00**
 - **YMCA - \$200,000.00**

- **Debt Financing - \$34,440,000.00**
 - **Fire-EMS Strategic Plan - \$4,000,000.00**
 - **High School Improvements - William Fleming High School - \$20,000,000.00**
 - **Roanoke River Flood Reduction Project - \$5,000,000.00**
 - **South Jefferson Redevelopment Area Project - Riverside Centre for Research and Technology - \$5,440,000.00**

- **FY2008 Capital Projects - \$2,250,000.00**
 - Cash Funding - \$2,250,000.00**
 - **Building Condition Assessment Program - \$750,000.00**
 - **Dumas Center - \$100,000.00**
 - **Financial System Replacement - \$1,000,000.00**
 - **Roanoke River Greenway - \$200,000.00**
 - **YMCA - \$200,000.00**

- **5 - Year Capital Improvement Program - \$151,026,000.00**
Cash Funding - \$19,685,000.00
- **Debt Financing - \$131,341,000.00**
 - **General Obligation Bond Issues - \$107,741,000.00**
 - **FY2004 \$14,300,000.00**
 - **FY2005 \$51,801,000.00**
 - **FY2006 \$7,200,000.00**
 - **FY2007 \$34,440,000.00**
 - **Virginia Wastewater Revolving Loan Program - \$23,630,000.00**

The Deputy Director of Finance reviewed the following:

Outstanding Debt as of June 30, 2003

• City General Obligation Bonds	\$115,725,323.00
• School General Obligation Bonds:	24,868,966.00
• Enterprise Fund General Obligation Bonds:	
– Water Fund	22,360,000.00
– Water Pollution Control Fund	14,460,000.00
– Civic Center Fund	2,110,000.00
– Parking Fund	6,935,711.00
• Qualified Zone Academy Bonds (QZAB)	1,892,908.00
• Virginia Public School Authority (VPSA) Bonds	31,427,145.00
• Literary Fund Loans	6,410,000.00
• Section 108 Loan	4,105,000.00
• Capital Leases	6,373,590.00
Total Debt as of June 30, 2003	\$236,668,643.00

Planned Debt Issuance for City and School Projects

- **FY04**
 - **\$1.3 million in Literary Fund Loans for Lincoln Terrace Saturn Network renovations**
- **FY05**
 - **\$40.801 million General Obligation Bonds**
 - **Art Museum/IMAX Theater - 3.7 million**
 - **Patrick Henry High School Improvements - \$19 million**
 - **Police Building - Phase II - \$6.67 million**
 - **Parks Master Plan - Phase II - \$7.0 million**
 - **Fire Station Replacement - \$4.431 million**

An additional \$19 million in VPSA/Literary Fund Loans for the Patrick Henry High School project

- **\$7.5 million Literary Loan and \$11.5 million VPSA Bonds**
- **FY06**
 - **\$3.75 million Literary Loan for Elementary School Improvements**
 - **\$1.75 million Literary Loan for William Fleming High School**
- **FY07**
 - **\$3.75 million for Elementary School Improvements**
 - **\$1.2 million Literary Loan and \$2.55 million VPSA Bonds**
 - **\$34.4 million for General Obligation Bonds**
 - **Fire Station Replacement - \$4.0 million**
 - **Roanoke Center for Research and Technology/Carilion Biomedical Institute - \$5.4 million**
 - **Roanoke River Flood Reduction - \$5.0 million**
 - **William Fleming High School Improvements - \$20.0 million**
- **FY08**
 - **\$18.25 million VPSA Bonds for William Fleming High School**

The following information was reviewed regarding Planned Debt Issuance for Enterprise Funds:

- **FY04**
 - **\$14.3 million General Obligation Bonds for Phase II Civic Center Renovations**
 - **Funded by:**
 - **4% increase in the Admissions Tax rate on City owned facilities**
 - **Capital Improvements fee added to ticket prices for events at Civic Facilities**
 - **Net additional revenues from operations**
 - **\$23.63 million VWRLP Bonds for Water Pollution Control Plant Expansion**
 - **Funding provided by a rate increase to be effective July 1, 2003**

- **FY05**
 - **\$11 million for Stormwater Management**
 - **Funding proposed via a fee imposed as part of utility billing**
- **FY06**
 - **\$7.2 million in Church Avenue West Parking Garage Bonds**
 - **Funding proposed by increased revenues of the Parking Fund**

The following Assumptions on Debt and Funding of Debt Services was reviewed:

- **The City has traditionally funded debt service on General Obligation Bonds, whether for City or School projects.**
- **The Schools have traditionally funded debt service on VPSA Bonds and Literary Fund Loans.**
- **Capital Leases are considered tax supported debt of the City and are typically funded by the General Fund.**
- **In analyzing tax burden, all such debt is considered tax supported debt of Roanoke due to vesting of taxing authority in the City.**
- **Generally, debt of Proprietary Funds (Water, Water Pollution Control, Civic Center, Parking) is considered self supporting and excluded from debt burden calculations.**
- **General Obligation and Virginia Public School Authority bonds were amortized using level principal and an interest rate of six per cent.**
- **Literary Loans were amortized at an interest rate of three per cent.**
- **All debt amortized over 20 years.**
- **Funding for debt service increases based on the following assumptions:**
 - **Increased funding of debt service of an additional \$570,000.00 per year through FY10.**
 - **Dedication to debt service funding of incremental increases in EMS fees through FY06.**

Charts were reviewed detailing current and future General Fund Debt Service, Future General Fund Debt Service and Projected Funding for Debt Service and Future City and School Debt Service.

The Director of Finance reviewed the following debt policies:

- Non-proprietary general obligation debt service will not exceed ten per cent of General Fund expenditures.
- Net bonded debt will not exceed five per cent of the assessed value of real estate.
 - Net Bonded Debt is general obligation debt for the City and School Board, exclusive of Proprietary Fund debt and the amount available in the Debt Service Fund.
- Net debt per capita will not exceed \$2,000.00
 - Note: Ratios that follow include all non-Proprietary Fund debt - GO bonds, VPSA Literary Loans, QZAB, and Capital Leases.

Ratio of Debt Service to General and School Fund Expenditures (ten per cent)

	<u>City Projects</u>	<u>School Projects</u>	<u>Overall</u>
• FY 2000	3.5%	2.0%	5.5%
• FY2001	4.2%	2.5%	6.7%
• FY2002	4.1%	2.3%	6.4%
• FY2003	5.9%	2.9%	8.8%
• FY2004	5.2%	2.6%	7.8%
• FY2005	5.4%	3.0%	8.4%
• FY2006	5.3%	3.5%	8.8%
• FY2007	4.9%	3.5%	8.4%
• FY2008	4.6%	4.7%	9.3%
• FY2009	4.4%	4.7%	9.1%

Note: Assumes annual expenditure growth of four per cent.

Ratio of Net Bonded Debt to Assessed Value of Real Estate (five per cent)

	<u>City Projects</u>	<u>School Projects</u>	<u>Overall</u>
• FY 2000	2.2%	1.5%	3.7%
• FY 2001	2.0%	1.6%	3.6%
• FY 2002	2.8%	1.7%	4.%
• FY 2003	2.2%	1.4%	3.6%
• FY 2004	2.0%	1.4%	3.4%
• FY 2005	2.2%	2.0%	4.2%
• FY 2006	1.9%	1.9%	3.8%
• FY 2007	2.0%	2.1%	4.1%
• FY 2008	1.7%	2.2%	3.9%
• FY 2009	1.5%	2.0%	3.5%

Note: Assumes growth of four per cent in assessed value of real estate.
 Net Bonded Debt Per Capita (\$2,000.00):

	<u>City Projects</u>	<u>School Projects</u>	<u>Overall</u>
• FY 2000	\$ 857.00	\$606.00	\$1,463.00
• FY 2001	\$ 820.00	\$646.00	\$1,466.00
• FY 2002	\$1,199.00	\$718.00	\$1,917.00
• FY 2003	\$1,107.00	\$684.00	\$1,791.00
• FY 2004	\$1,023.00	\$710.00	\$1,733.00
• FY 2005	\$1,167.00	\$1,063.00	\$2,230.00
• FY 2006	\$1,070.00	\$1,052.00	\$2,122.00
• FY 2007	\$1,127.00	\$1,230.00	\$2,357.00
• FY 2008	\$1,024.00	\$1,337.00	\$2,361.00
• FY 2009	\$ 916.00	\$1,241.00	\$2,157.00

Debt Statistics of Urban Cities:

Locality	General Obligation Bond Rating	Debt Service To General Fund Expenditure	Net Bonded Debt To Assessed Value Real Estate	Net Bonded Debt Per Capita
Roanoke	AA	6.45%	4.40%	\$1,916
Richmond	AA/A1	6.96%	3.51%	\$1,985
Hampton	AA	5.69%	2.90%	\$1,107
Lynchburg	AA	6.07%	2.97%	\$1,248
Newport News	AA	7.70%	5.60%	\$2,289
Norfolk	AA/A1	9.04%	3.41%	\$1,485

Portsmouth	AA-/A1	6.80%	6.39%	\$2,002
Roanoke Co.	AA	5.44%	1.71%	\$1,136

Mr. Key reviewed charts in connection with a gap analysis of revenue and expenditure forecasts and significant contributing factors:

	FY 2004	FY 2005	FY 2006	FY 2007
Local School Funding	\$ 2.129	\$3.560	\$5.071	\$6.635
Capital Improvements and Restoration of Capital Replacement in Operating Budget	1.606	2.708	3.809	4.910
Employee Fringe Benefits	1.033	1.778	2.230	2.704
Regional and Other Initiatives	0.734	1.162	1.170	1.178
Revenue Reductions	0.706	1.828	1.828	1.828
Totals (Millions)	\$6.208	\$11.035	\$14.108	\$17.255
Budgetary Gap (Millions)	\$4.350	\$9.176	\$12.343	\$15.145

Budgetary options under consideration include:

- **Revenues**
 - **Fiscal Year 2004**
 - Levy a Short Term Rentals Tax to promote taxation equity
 - Increase the E911 Tax to partially offset the \$1.2 million “local cost” of the E911 Center and provide more staffing to handle the wireless E911 call workload mandated by the State but not adequately funded
 - Increase animal impoundment and boarding fees at the Regional SPCA
 - Levy a loose leaf collection fee to promote the more efficient and environmentally conscious bagged leaf collection program
 - Solid waste disposal fee to partially recover increased landfill tipping costs resulting from increased tonnage (due to successful bulk and brush programs) and landfill tipping fees

- Fiscal Year 2005 and beyond
 - Provide new revenue streams

There was discussion in regard to phasing out the City's loose leaf collection program in which it was noted that some citizens view loose leaf collection as one of the basic services provided by the City for their tax dollars; the State has placed the City "between a rock and a hard place", and the time has come to either cut services or increase revenue; a possible solution is to identify revenue streams and those services that the City will provide locally, determine the cost to pay for the services, and increase revenue streams accordingly; and a number of services are provided that are not fundamental basic governmental services, such as the unnecessary televising of City Council meetings.

The following revenue options were reviewed by City staff:

Tax	Current Rate	Maximum Rate	Rate Change Impact
Real Estate	\$1.21	None	\$.01 = \$445,000
Personal Property	\$3.45	None	\$.01 = \$ 66,000
Utility Consumer	12% until January 2004	20%	1% = \$1,121,000
Cigarette (20 per pack)	\$.27	None	\$.01 = \$ 72,000
Transient Occupancy	7%	None	\$1% = \$306,000
Admissions	6.5%	None	1% = \$ 73,000
Prepared Food & Beverage	4%	None	1% = \$1,879,000
E-911	\$1.45	\$3.00	\$.01 = \$8,000
Motor Vehicle Decal	\$20	\$28.50	\$1 = \$89,000
Cable TV Utility	-----	7%	1% = \$210,000
Short-Term Rental	-----	1%	1% = \$150,000
Stormwater Management Fee	-----	None	\$1/month = \$500,000+

The following is a comparison of local tax rates for peer localities - fiscal year 2002 (Member localities of Virginia First Cities Coalition):

	Roanoke	First Cities	All Cities	Roanoke Co.
Real Estate	\$1.21/\$1.11	\$1.31/\$1.18	\$1.03/\$0.93	\$1.12/\$1.03
Personal Property	\$3.45/\$2.69	\$3.96/\$3.18	\$3.61/\$2.79	\$3.50/\$2.73
Utility Consumer	12%	20%	17%	12%
Motor Vehicle License	\$20	\$25	\$21	\$20
E911	\$1.45	\$2.51	\$1.65	\$1.46
Prepared Food	4.0%	6.2%	5.0%	4.0%
Transient Occupancy	7.0%	7.4%	5.2%	5.0%
Cigarette (25 pack)	\$0.3375	\$0.3192	\$0.3200	\$0.0000
Admissions	6.5%	8.3%	7.2%	5%

Note: Split rates for Real Estate and Personal Property Taxes denote differences in nominal and effective tax rates based on assessment/sales ratio and assessment basis, respectively.

In order to close the gap, staff reviewed the following budgetary options under consideration:

- **Expenditures for Fiscal Year 2004**
 - Pass through State revenue reductions to appropriate departments
 - Reduce or defer employee salary increase
 - Unfunding of vacant positions where no service level reduction is likely to result, such as:
 - Fire-EMS due to a reduction in the required staffing factor (recent attrition has resulted in less senior staff requiring less leave time)
 - Parks and Recreation administrative staff
 - Solid Waste Management due to reassignment of duties
 - Reassignment or elimination of 21 positions recommended by departments

- Downsizing of the vehicular fleet
- Service level reductions such as:
 - Vacating alleys not needed for primary access or solid waste collection
 - Elimination of commercial solid waste collection and/or modification of the Central Business District solid waste collection system
 - Modification of Mounted Patrol Program from a “full-time” unit to a “special events” unit
- Deferral of capital replacement funding

Council Member Bestpitch requested that the City Manager initiate a process to identify all of the paper alleys in the City of Roanoke which could be added to the City’s tax base; whereupon, the City Manager advised that a study could be conducted which would take approximately two years to complete.

Mr. Bestpitch requested information on comparative costs for commercial refuse collection in the City of Salem versus the City of Roanoke.

Council Member Carder expressed concern with regard to modification to the mounted patrol program from a “full time” unit to a “special events” unit. He advised that the mounted patrol unit has been a visible marketing and crime prevention tool and citizens feel the freedom to talk with mounted patrol officers about their neighborhoods.

The City Manager encouraged Council Members to offer suggestions on other budget consideration options. She advised that the above referenced suggestions came out of the budget process from individual City departments and the Budget Committee is in the process of reviewing the suggestions.

A suggestion was made that a question be included on the annual Citizens Survey encouraging citizens to prioritize City services and to identify those services that they would be willing to pay for. It was also suggested that the question be posted on the City’s web site for response by citizens.

Charts were reviewed for the fiscal years 1991 - 2001 comparing Roanoke with peer localities in regard to local tax revenue growth, local revenue growth, State revenue growth (including schools), total revenue growth (including schools), and expenditure growth (including schools).

A comparison of peer localities in regard to expenditures per capita - fiscal year 2001, is as follows:

Hampton	\$2,397.00
Roanoke Co.	\$2,561.00
Newport News	\$2,722.00
All Cities	\$2,761.00
Roanoke	\$2,790.00
Norfolk	\$2,873.00
Portsmouth	\$3,075.00
Lynchburg	\$3,114.00
Richmond	\$3,413.00

The following are comparisons with peer localities, fiscal stress - FY2000

- Commission on Local Government assesses the level of fiscal stress for Virginia localities annually using three primary indicators:
 - Revenue capacity
 - Revenue effort
 - Median adjusted gross income
- A composite fiscal stress score is developed for each locality.
 - It is not an indicator of financial hardship, but it does indicate the relative fiscal stress of each locality.

Roanoke's fiscal stress ranking are as follows:

- Average Revenue Capacity - 69th of 135 localities, with a ranking of one representing the lowest capacity.
- High Revenue Effort - 14th of 135 localities, with a ranking of one representing the highest effort.
- Low Median Adjusted Gross Income - 29th of 135 localities, with a ranking of one representing the lowest income.
- High Fiscal Stress - 15th of 135 localities, classified as having "high fiscal stress" along with most other First Cities peer localities. Salem is classified "above average stress" and Roanoke County is classified "below average stress".

It was advised that Virginia's fiscal stress "top 20 list" for fiscal year 2000 is as follows:

- | | |
|------------------------|------------------|
| 01. Norfolk | 12. Hampton |
| 02. Emporia | 13. Martinsville |
| 03. Hopewell | 14. Lynchburg |
| 04. Covington | 15. Roanoke |
| 05. Portsmouth | 16. Galax |
| 06. Petersburg | 17. Buena Vista |
| 07. Greensville County | 18. Bedford |
| 08. Clifton Forge | 19. Danville |
| 09. Newport News | 20. Norton |
| 10. Buchanan County | 21. Richmond |
| 11. Bristol | |

It was explained that in a summary of comparisons with peer localities Roanoke's historical growth rates for revenues and expenditures are slightly less than, but do not differ significantly from:

First Cities peer governments
All Virginia cities
Roanoke County

- Reduced revenue forecasts in the next several years due to slowed local economic conditions, the Commonwealth's budget problems and possible Federal budget reductions will present a significant financial challenge as the City attempts to:

- Retain a competitive employee compensation package
- Maintain quality services, including public schools
- Provide necessary capital maintenance, equipment replacement and technology advancement funding; and
- Address capital needs of the community

The City Manager requested that any items requiring additional discussion be included on the April 7, 2003 Budget and Planning Committee agenda and that the items be submitted to either the City Manager or to the Director of Management and Budget.

There being no further business, the Vice-Mayor declared the meeting adjourned at 11:55 a.m.

A P P R O V E D

ATTEST:

Mary F. Parker
City Clerk

C. Nelson Harris
Vice-Mayor
